



State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF MINERAL RESOURCES
STATE MINERAL AND ENERGY BOARD

TO: State Mineral and Energy Board Members

FROM: Victor M. Vaughn *VM*
Geologist Administrator
Geological & Engineering Division

DATE: September 14, 2011

Lease Review Committee Agenda

The regular meeting of the Lease Review Committee of the State Mineral and Energy Board is scheduled to be held on Wednesday, September 14, 2011 at 9:30 am in the La Belle Room, First Floor, LaSalle Building located at 617 North Third Street, Baton Rouge, Louisiana.

I. Geological and Engineering Staff Review

According to SONRIS there are 1848 active State Leases covering nearly 827,500 acres. The Geological and Engineering Division has reviewed approximately 205 leases covering 97,700 acres.

II. Committee Review

1. A staff report on **State Lease 199-A-1**, Bay St. Elaine Field Selection Designated Area, Terrebonne and Lafourche Parishes. Hilcorp Energy I, L.P. is the lessee.
2. A staff report on **State Lease 724**, Four Isle Dome Field, Terrebonne Parish. Burlington / Hilcorp lessee.

III. Report on actions exercised by the Staff under delegated authority

1. No Objection to Energy XXI's Royalty Escrow Request for production from the VUA; SL 340 No. 3 Well, SN 231392, Rabbit Island Field, Iberia Parish affecting State Lease 340-C-0 & 3.
2. No Objection to Energy XXI's Royalty Escrow Request for production from the SL 340 No. 185 Well, SN 161784, Rabbit Island Field, Iberia Parish affecting State Lease 340-C-0 & 3.

IV. Report on Force Majeure

Staff requests that the Board extend force majeure recognition 3 months for Operating Agreement A0232 operated by IG Petroleum to the December 14, 2011 Board Meeting to permit IG Petroleum additional time to complete pipeline negotiations and/or re-establish production.

Updated 08/31/2011

Company Name	Lease Numbers
Leases Off Production Due to Non-storm Related Force Majeure Events	
IG Petroleum	A0232
Harvest	A0311
Stone Energy	10830, 15074, 17309, 17595, A0285
Leases affected by Flooding	
Hilcorp	2024

The Committee may discuss other matters as it desires pursuant to R.S. 42:7(A)(1)(b)(ii) as well as Executive Session matters pursuant to R.S. 42:6.1(A)(2) and R.S. 42:6.1(A)(6).